

VILLAGE OF GEORGETOWN, LOUISIANA**Annual Financial Statements****JUNE 30, 2005**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11/23/05

Village of Georgetown Louisiana

LEGEND

- Place of 2500 or more inhabitants
- Place of 250 to 2499 inhabitants
- General office of 10000 or more inhabitants
- Place of 25 to 249 inhabitants

Shaded area: **Parish of St. Landry**

Shaded area: **Village of Georgetown**

☒ The Village of Georgetown was incorporated under the Lawrason Act and the Village operates under the Mayor-Board of Alderman form of government. The Village provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water and sewer services) and general administrative functions, including coordination of related services with Parish, State and Federal governing bodies.

Village of Georgetown, Louisiana
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Village of Georgetown

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MANAGEMENTS DISCUSSION AND ANALYSIS

As management of the Village, we offer readers of the Village of Georgetown's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended June 30, 2005. We encourage readers to consider the information presented here in conjunction with the Village's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. However, because this is the first year of implementing the new reporting model, certain necessary comparative information of the previous year was not prepared. Considering the financial resources necessary to prepare this information for the prior year, and that GASB Statement No. 34 permits the omission of the comparative information in the first year of adoption of the new reporting model, the Village has elected to exclude the information in this report. Subsequent reports will include the comparative information.

FINANCIAL HIGHLIGHTS

Governmental Funds

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$337,849 (*net assets*). This is a \$51,142 increase from last year.
- The Village had total revenue of \$327,023, in which \$271,392 came from collection of fines. This is a \$20,980 increase from last year's revenues, mainly due to an increase in fines.
- The Village had total expenditures of \$245,862, which is a \$54,515 decrease from last year.

Enterprise Funds

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$1,460,349 (*net assets*). This is a \$(56,124) decrease from last year.
- The Village had total revenue of \$89,144, including operating revenues of \$74,144 and non-operating revenues of \$15,000. This is a \$18,895 increase from last year.
- The Village had total expenses of \$169,184, in which \$168,184 was operating expenses and \$1,000 was non-operating expenses. This is a \$5,606 increase from last year.

MD&A

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Village is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the Village adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*. Comparative analysis will be available in future years when prior information becomes available.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

USING THIS ANNUAL REPORT

The Village's annual report consists of financial statements that show information about the Village's funds, enterprise funds and governmental funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Reporting the District's Most Significant Funds

The Village's financial statements provide detailed information about the most significant funds. The Village may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Village's enterprise fund uses the following accounting approach:

All of the Village's services are reported in an enterprise fund. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

MD&A

Comparative Statement of Net Assets Governmental Funds

The following table represents a condensed Comparative Statement of Net Assets as of June 30, 2004 and 2005:

	2004	2005	% Change
Assets			
Cash & Investments	\$ 133,608	\$ 175,371	31%
Receivables	4,703	1,324	-72%
Capital Assets, Net of Accumulated Depreciation	183,788	176,683	-4%
Total Assets	<u>322,099</u>	<u>353,378</u>	<u>10%</u>
Liabilities & Net Assets			
Accounts, Salaries, & Other Payables	21,751	2,888	-87%
Other Liabilities	-0-	1,000	100%
Bonds Payable	13,641	11,641	-15%
Total Liabilities	<u>35,392</u>	<u>15,529</u>	<u>-56%</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	170,147	164,042	-4%
Restricted For Debt Service	13,091	16,642	27%
Unrestricted	103,469	157,165	52%
Total Net Assets	<u>286,707</u>	<u>337,849</u>	<u>18%</u>
Total Liabilities & Net Assets	<u>\$ 322,099</u>	<u>\$ 353,378</u>	<u>10%</u>

Comparative Statement of Net Assets Enterprise Funds

The following table represents a condensed Comparative Statement of Net Assets as of June 30, 2004 and 2005:

	2004	2005	% Change
Assets			
Cash	\$ 1,223	\$ 1,449	18%
Receivables	4,915	5,055	3%
Restricted Assets	14,306	13,468	-6%
Capital Assets, Net of Accumulated Depreciation	1,534,240	1,477,010	-4%
Total Assets	<u>1,554,684</u>	<u>1,496,982</u>	<u>-4%</u>
Liabilities and Net Assets			
Accounts, Salaries, & Other Payables	2,796	2,805	0%
Other Liabilities	14,415	2,500	-83%
Bonds Payable	21,000	18,000	-14%
Customer Deposits	-0-	13,328	100%
Total Liabilities	<u>38,211</u>	<u>36,633</u>	<u>-4%</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	1,513,240	1,456,510	-4%
Restricted For Debt Service	2,946	2,009	-32%
Unrestricted	287	1,830	538%
Total Net Assets	<u>1,516,473</u>	<u>1,460,349</u>	<u>-4%</u>
Total Liabilities and Net Assets	<u>\$ 1,554,684</u>	<u>\$ 1,496,982</u>	<u>-4%</u>

MD&A

Comparative Changes in Fund Balances Governmental Funds

The following table reflects the condensed Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended June 30, 2004 and 2005:

	2004	2005	% Change
Beginning Fund Balances	\$ 145,057	\$ 116,560	-20%
Total Revenues	306,043	327,023	7%
Total Expenditures	(300,377)	(245,862)	-18%
Total Transfers In (Out)	(34,163)	(23,914)	30%
Increase (Decrease) in Fund Balances	(28,497)	57,247	301%
Ending Fund Balances	<u>\$ 116,560</u>	<u>\$ 173,807</u>	49%

Comparative Changes in Net Assets Enterprise Funds

The following table reflects the condensed Comparative Statement of Revenues, Expenses, and Changes in Net Assets for the year ended June 30, 2004 and 2005:

	2004	2005	% Change
Beginning Net Assets	\$ 1,575,641	\$ 1,516,475	-4%
Operating Revenues	70,234	74,144	6%
Non-Operating Revenues	15	15,000	999%
Total Revenues	<u>70,249</u>	<u>89,144</u>	27%
Operating Expenses	162,428	168,184	4%
Non-Operating Expenses	1,150	1,000	-13%
Total Expenses	<u>163,578</u>	<u>169,184</u>	3%
Transfers In (Out)	34,163	23,914	-30%
Increase (Decrease) in Net Assets	(59,166)	(56,126)	5%
Ending Net Assets	<u>\$ 1,516,475</u>	<u>\$ 1,460,349</u>	-4%

MD&A

CAPITAL ASSETS

Capital Assets – Governmental Fund

At June 30, 2005, the Village had \$176,683 invested in capital assets, including the walking track, police car, and equipment.

Capital Assets at Year-End	
Walking Track	\$ 30,443
Police Car	19,838
Equipment	199,615
Accumulated Depreciation	(73,213)
Totals	<u>\$ 176,683</u>

Capital Assets – Enterprise Fund

At June 30, 2005, the Village had \$1,477,010 invested in capital assets, including the sewer system, machinery, and equipment.

Capital Assets at Year-End	
Sewer System	\$ 974,558
Water System	1,296,644
Accumulated Depreciation	(794,192)
Totals	<u>\$ 1,477,010</u>

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Danny Olden, Mayor, at the Village of Georgetown, phone (318) 827-5527.

JOHN R. VERCHER PC
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INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Danny Olden, Mayor
and Members of the Village Council
Georgetown, Louisiana

I have reviewed the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Georgetown as of and for the year ended June 30, 2005, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Georgetown's management.

My review was conducted in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States of America. A review consists principally of inquiries of Village personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated August 30, 2005, on the results of my agreed-upon procedures.

The management's discussion and analysis and budgetary comparison information is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the supplementary information.

John R. Vercher

Jena, Louisiana
August 30, 2005

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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

The Honorable Danny Olden, Mayor
and Members of the Village Council
Village of Georgetown
PO Box 220
Georgetown, Louisiana 71432

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Village of Georgetown and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Village of Georgetown's compliance with certain laws and regulations during the year ended June 30, 2005 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

*During my review of expenditures, I found no such expenditures.

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

* Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

* Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

* None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

* The Village did not amend its budget during the year.

6. Trace the budget adoption and amendments to the minute book.

* I traced the budget adoption to the Village's minute book.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

* The Village had a favorable expenditure variance and an unfavorable revenue variance of less than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

* I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

* All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

* Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Mayor of the Village.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

* Discussions with the clerk and my review of the minutes found that the agendas for the meetings were posted.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

* I inspected all bank deposit entries in the books for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

* A reading of the minutes of the Village for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

I was not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I did not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Village of Georgetown and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

John R. Vercher

Jena, Louisiana
August 30, 2005

Basic Financial Statements

Village of Georgetown, Louisiana
Statement of Net Assets
June 30, 2005

	PRIMARY GOVERNMENT		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 86,747	\$ 1,449	\$ 88,196
Investments	88,624	-0-	88,624
Receivables	1,324	5,055	6,379
Restricted Assets	-0-	13,468	13,468
Capital Assets (Net of Accumulated Depreciation)	176,683	1,477,010	1,653,693
TOTAL ASSETS	<u>353,378</u>	<u>1,496,982</u>	<u>1,850,360</u>
LIABILITIES			
Accounts, Salaries, & Other Payables	2,888	2,805	5,693
Other Liabilities	1,000	2,500	3,500
Bonds Payable	11,641	18,000	29,641
Customer Deposits	-0-	13,328	13,328
TOTAL LIABILITIES	<u>15,529</u>	<u>36,633</u>	<u>52,162</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	164,042	1,456,510	1,620,552
Restricted For Debt Service	16,642	2,009	18,651
Unrestricted	157,165	1,830	158,995
TOTAL NET ASSETS	<u>\$ 337,849</u>	<u>\$ 1,460,349</u>	<u>\$ 1,798,198</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

Statement B

Village of Georgetown, Louisiana
Statement of Activities
For the Year Ended June 30, 2005

	PROGRAM REVENUES			NET (EXPENSES) REVENUES & CHANGES OF PRIMARY GOVERNMENT	
	Expenses	Charges for Services	Operating Grants & Contributions	Net (Expenses) Revenue	Business Type Activities
Governmental Activities					
General Government	\$ 251,286	\$ 26,502	\$ 10,000	\$ (214,784)	\$
Interest on Long-Term Debt	682	-0-		(682)	
Total Governmental Activities	<u>251,968</u>	<u>26,502</u>	<u>10,000</u>	<u>(215,466)</u>	<u></u>
Business Type Activities					
Sewer	61,698	26,567	-0-	(35,131)	(35,131)
Water	107,486	28,965	15,000	(63,521)	(63,521)
Total Business Type Activities	<u>169,184</u>	<u>55,532</u>	<u>15,000</u>	<u>(98,652)</u>	<u>(98,652)</u>
Total Primary Government	<u>\$ 421,152</u>	<u>\$ 82,034</u>	<u>\$ 25,000</u>	<u>\$ (314,118)</u>	
General Revenues					
Taxes				10,277	17,227
Fines				271,392	-0-
Other				8,852	1,385
Investment Earnings				-0-	-0-
Transfers In (Out)				(23,914)	23,914
Total General Revenues				<u>266,607</u>	<u>42,526</u>
Change in Net Assets				51,141	(56,126)
Net Assets - Beginning				286,708	1,516,475
Net Assets - Ending				<u>\$ 337,849</u>	<u>\$ 1,460,349</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

**Village of Georgetown, Louisiana
Balance Sheet, Governmental Funds
June 30, 2005**

	<u>General Fund</u>	<u>Debt Service Non-Major</u>	<u>Total</u>
ASSETS			
Cash	\$ 66,632	\$ 20,115	\$ 86,747
Investments	88,624	-0-	88,624
Receivables	1,324	-0-	1,324
Due From Other Funds	3,473	-0-	3,473
TOTAL ASSETS	<u>160,053</u>	<u>20,115</u>	<u>180,168</u>
LIABILITIES			
Accounts, Salaries, and Other Payables	2,888	-0-	2,888
Due to Other Funds	-0-	3,473	3,473
TOTAL LIABILITIES	<u>2,888</u>	<u>3,473</u>	<u>6,361</u>
FUND BALANCES			
Unreserved, Reported In:			
General Fund	<u>157,165</u>	<u>16,642</u>	<u>173,807</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 160,053</u>	<u>\$ 20,115</u>	<u>\$ 180,168</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Reconciliation of The Government Funds Balance Sheet
to the Government-Wide Financial Statement of Net Assets
June 30, 2005

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balance, Total Governmental Funds (Statement C)	\$ 173,807
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	176,683
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Other	<u>(12,641)</u>
Net Assets of Governmental Activities (Statement A)	\$ <u>337,849</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2005

	<u>General</u>	<u>Debt Service Non-Major</u>	<u>Totals</u>
REVENUES			
Fees & Charges	\$ 26,502	\$ -0-	\$ 26,502
Taxes	5,032	5,245	10,277
Fines	271,392	-0-	271,392
Grants	10,000	-0-	10,000
Road Maintenance	7,040	-0-	7,040
Other	1,812	-0-	1,812
TOTAL REVENUES	<u>321,778</u>	<u>5,245</u>	<u>327,023</u>
EXPENDITURES			
Personnel Expense	106,897	-0-	106,897
Police Expense	22,419	-0-	22,419
Other Administrative	82,445	-0-	82,445
Debt Service	-0-	1,682	1,682
Capital Outlay	32,407	-0-	32,407
Other Expenditures	-0-	12	12
TOTAL EXPENDITURES	<u>244,168</u>	<u>1,694</u>	<u>245,862</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>77,610</u>	<u>3,551</u>	<u>81,161</u>
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	(23,914)	-0-	(23,914)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(23,914)</u>	<u>-0-</u>	<u>(23,914)</u>
NET CHANGE IN FUND BALANCE	53,696	3,551	57,247
FUND BALANCES--BEGINNING	103,469	13,091	116,560
FUND BALANCES--ENDING	<u>\$ 157,165</u>	<u>\$ 16,642</u>	<u>\$ 173,807</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Reconciliation of The Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2005

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total governmental Funds, Statement E	\$ 57,247
Governmental funds report capital outlays as expenditure. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(7,106)
The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	-0-
Changes in Net Assets of Governmental Activities, statement B	\$ <u>51,141</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Statement of Net Assets, Proprietary Funds
June 30, 2005

	BUSINESS TYPE ACTIVITIES		
	ENTERPRISE FUNDS		
	Sewer Fund	Water Fund	Total
CURRENT ASSETS			
Cash & Cash Equivalents	\$ 815	\$ 634	\$ 1,449
Receivables	2,222	2,833	5,055
TOTAL CURRENT ASSETS	<u>3,037</u>	<u>3,467</u>	<u>6,504</u>
NON-CURRENT ASSETS			
Restricted Assets	4,509	8,959	13,468
Capital Assets (Net of Accumulated Depreciation)	590,569	886,441	1,477,010
TOTAL NON-CURRENT ASSETS	<u>595,078</u>	<u>895,400</u>	<u>1,490,478</u>
TOTAL ASSETS	<u>598,115</u>	<u>898,867</u>	<u>1,496,982</u>
CURRENT LIABILITIES			
Accounts, Salaries, & Other Payables	1,192	1,613	2,805
Due to Other Funds	-0-	-0-	-0-
Current Bonds & Interest Payable	2,500	-0-	2,500
TOTAL CURRENT LIABILITIES	<u>3,692</u>	<u>1,613</u>	<u>5,305</u>
NON CURRENT LIABILITIES			
Revenue Bonds	18,000	-0-	18,000
Customer Deposits	-0-	13,328	13,328
TOTAL NON CURRENT LIABILITIES	<u>18,000</u>	<u>13,328</u>	<u>31,328</u>
TOTAL LIABILITIES	<u>21,692</u>	<u>14,941</u>	<u>36,633</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	570,069	886,441	1,456,510
Restricted For Capital Outlay	-0-	-0-	-0-
Restricted For Debt Service	2,009	-0-	2,009
Unrestricted	4,345	(2,515)	1,830
TOTAL NET ASSETS	<u>\$ 576,423</u>	<u>\$ 883,926</u>	<u>\$ 1,460,349</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
June 30, 2005

	BUSINESS TYPE ACTIVITIES ENTERPRISE FUNDS		
	Sewer Fund	Water Fund	Total
OPERATING REVENUES			
Water Sales	\$ -0-	\$ 28,965	\$ 28,965
Sewer Charges	26,567	-0-	26,567
Sales Tax	-0-	17,227	17,227
Other	-0-	1,385	1,385
TOTAL OPERATING REVENUES	<u>26,567</u>	<u>47,577</u>	<u>74,144</u>
OPERATING EXPENSES			
Administration	36,335	74,619	110,954
Depreciation	24,363	32,867	57,230
TOTAL OPERATING EXPENSES	<u>60,698</u>	<u>107,486</u>	<u>168,184</u>
OPERATING INCOME (LOSS)	<u>(34,131)</u>	<u>(59,909)</u>	<u>(94,040)</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest Earnings	-0-	-0-	-0-
Grants	-0-	15,000	15,000
Interest Expense	(1,000)	-0-	(1,000)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(1,000)</u>	<u>15,000</u>	<u>14,000</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	<u>(35,131)</u>	<u>(44,909)</u>	<u>(80,040)</u>
Transfers In	13,714	10,200	23,914
Transfers Out	-0-	-0-	-0-
CHANGE IN NET ASSETS	<u>(21,417)</u>	<u>(34,709)</u>	<u>(56,126)</u>
TOTAL NET ASSETS - BEGINNING	<u>597,840</u>	<u>918,635</u>	<u>1,516,475</u>
TOTAL NET ASSETS - ENDING	<u>\$ 576,423</u>	<u>\$ 883,926</u>	<u>\$ 1,460,349</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Statement of Cash Flows
Proprietary Funds
June 30, 2005

	BUSINESS TYPE ACTIVITIES		
	ENTERPRISE FUNDS		
	Sewer Fund	Water Fund	Total
Cash Flows From Operating Activities			
Receipts from Customers and Users	\$ 26,160	\$ 48,309	\$ 74,469
Payments to Suppliers/Employees	(36,767)	(74,179)	(110,946)
Net Cash Provided by Operating Activities	<u>(10,607)</u>	<u>(25,870)</u>	<u>(36,477)</u>
Cash Flows From NonCapital Financing Activities			
Grant	-0-	15,000	15,000
Advances From Other Funds	14,141	10,200	24,341
Net Cash Provided (Used) by NonCapital Financing Activities	<u>14,141</u>	<u>25,200</u>	<u>39,341</u>
Cash Flows From Capital and Related Financing Activities			
Principal on Capital Debt	(2,500)	-0-	(2,500)
Interest Paid on Capital Debt	(1,000)	-0-	(1,000)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,500)</u>	<u>-0-</u>	<u>(3,500)</u>
Cash Flows From Investing Activities			
Change in Restricted Assets	-0-	851	851
Interest and Dividends Received	11	-0-	11
Net Cash Provided (Used) by Investing Activities	<u>11</u>	<u>851</u>	<u>862</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>45</u>	<u>181</u>	<u>226</u>
Cash and Cash Equivalents, Beginning of Year	<u>770</u>	<u>453</u>	<u>1,223</u>
Cash and Cash Equivalents, End of Year	<u>815</u>	<u>634</u>	<u>1,449</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	(34,131)	(59,909)	(94,040)
Depreciation Expense	24,363	32,867	57,230
(Increase) Decrease in Accounts Receivable	(408)	267	(141)
Increase (Decrease) in Accounts Payables	(431)	440	9
Increase (Decrease) Customer Deposits	-0-	465	465
Total Adjustments	<u>23,524</u>	<u>34,039</u>	<u>57,563</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (10,607)</u>	<u>\$ (25,870)</u>	<u>\$ (36,477)</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

**Notes To The Basic
Financial Statements**

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Georgetown was incorporated under the provisions of the Lawrason Act. The Village operates under the Mayor-Board of Alderman form of government. The Village provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water, gas and sewer services) and general administrative functions, including coordination of related services with parish, state and federal governing bodies.

The Village applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The accounting and reporting policies of the Village of Georgetown conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meetings the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The municipality reports the following major governmental funds:

The General Fund is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund

The municipality reports the following major proprietary funds:

- Water Fund
- Sewer Fund

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges for services and sales taxes. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Village has a policy of applying expenses to restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

C. FIXED ASSETS & LONG-TERM LIABILITIES

For the year ended June 30, 2005, no interest costs were capitalized for construction of fixed assets.

Depreciation of all exhaustible fixed assets is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet and governmental fund statement of activities. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	<u>Life In Years</u>
Water System	40
Sewer System	40
Walking Trail	20
Equipment	5-10

D. BUDGETARY PRACTICES

The District prepares a budget at the beginning of each year. The Board approves the budget and any subsequent amendments. All appropriations end at year end.

E. CASH & INVESTMENTS

All cash and investments (CD's over 90 days) are reported at cost and are on deposit as following federally insured banks:

It is the Village's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The Village's deposits are categorized to give an indication of the level of risk assumed by the Village at fiscal year-end. The categories are described as follows:

- *Category 1* – Insured or collateralized with securities held by the School or by its agent in the Village's name.
- *Category 2* – Collateralized with securities held by the pledging financial institution's trust department or agent in the Village's name.
- *Category 3* – Uncollateralized.

<u>Bank</u>	<u>Book Balance 6-30-2005</u>
Southern Heritage Bank	\$ <u>190,288</u>

Amounts on deposit at the bank are secured by the following:

<u>Description</u>	<u>Market Value</u>
FDIC (<i>Category 1</i>)	\$ <u>188,624</u>
New Roads LA Elec. Sys Rev (<i>Category 2</i>)	<u>159,270</u>
Total	\$ <u>347,894</u>

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

F. INVENTORIES

Immaterial amounts of inventory are maintained for general fund and enterprise fund operations and, accordingly, these supplies are expensed as purchased.

G. ACCOUNTS RECEIVABLE & ALLOWANCE FOR BAD DEBTS

	Enterprise Fund		Governmental Fund
	Water Fund	Sewer Fund	General Fund
Tax & Franchise	\$ -0-	\$ -0-	\$ 1,324
Customer	2,982	2,339	-0-
Allowance for Bad Debts	(149)	(117)	-0-
Total	\$ 2,833	\$ 2,222	\$ 1,324

H. COMPENSATED ABSENCES

The Village has no compensated absence policy.

I. RESERVES

The Village records reserves to indicate that a portion of its retained earnings/fund balances are legally restricted for a specific future use. The following is a list of such reserves and a description of each:

Reserved for System Maintenance

This amount represents monies reserved for repairs and replacement of the water system.

Reserved - Revenue Bonds

This amount represents monies reserved as required by the revenue bond indentures.

Reserved for Debt Service

Certain assets have been reserved in the Debt Service Fund for future payment of long-term liabilities of the governmental funds.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

(2) AD VALOREM TAXES

The Village levies taxes on real and business personal property located within its boundaries. The Village utilizes the services of the Grant Parish Tax Assessor to assess the property values and prepare the Village's property tax roll. The Village bills and collects its own property taxes.

<u>Property Tax Calendar</u>	
Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On or About October 15
Total Taxes Are Due	December 31
Penalties and Interest are Added	January 1
Lien Date	January 1

For the year ended June 30, 2005, taxes of 18.80 mills were levied against property having a valuation of some \$580,032 which produced some \$ 10,906 in revenue.

Ad Valorem Taxes are broken down as follows:

	<u>Mills</u>
Georgetown Debt Service - General Obligation Bonds	4.90
Georgetown Sewer District No. 1 - General Obligation Bonds	4.90
General Alimony	9.00
Total	<u>18.80</u>

(3) SALES TAX

Voters passed a 1% sales tax in February 1991 dedicated to the repair and maintenance of the Village's water system.

(4) RESTRICTED ASSETS - PROPRIETARY FUND TYPES

At June 30, 2005, restricted assets of the Enterprise Funds were invested in either interest bearing checking accounts or time deposits and were restricted for the following purposes:

	<u>Water</u>	<u>Sewer</u>
Sales Tax Repair & Maintenance	\$ 1,360	\$ -0-
Bond Sinking	-0-	3,070
Meter Deposit	7,599	-0-
Bond Reserve	-0-	477
Depreciation & Contingencies	-0-	962
Total	<u>\$ 8,959</u>	<u>\$ 4,509</u>

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

(5) FIXED ASSETS

Enterprise Fund - Plant & Equipment:

A summary of enterprise fund property, plant and equipment at June 30, 2005, is as follows:

	Balance 6-30-2004	Additions (Deletions)	Balance 6-30-2005
<u>Water</u>			
Distribution System	\$ 1,296,644	\$ -0-	\$ 1,296,644
Accumulated Depreciation	377,336	32,867	410,203
Net	<u>919,308</u>	<u>32,867</u>	<u>886,441</u>
<u>Sewer</u>			
Plant	\$ 974,558	\$ -0-	\$ 974,558
Accumulated Depreciation	359,625	24,364	383,989
Net	<u>614,933</u>	<u>24,364</u>	<u>590,569</u>

Enterprise fund assets are depreciated on the straight-line basis using the following useful lives:

Sewer Plant	40 Years
Water Plant	40 Years
Equipment	5-10 Years

Governmental Fund:

A summary of governmental fund depreciable assets at June 30, 2005, is as follows:

	Balance 6-30-04	Additions (Deletions)	Balance 6-30-05
Equipment	\$ 217,489	\$ 32,407	\$ 249,896
Accumulated Depreciation	33,700	39,513	73,213
Net	<u>\$ 183,789</u>	<u>\$ 7,106</u>	<u>\$ 176,683</u>

Government fund assets are depreciated on the straight-line basis using the following useful lives:

Equipment	5-10 Years
Walking Track	20 Years

(6) CHANGES IN LONG-TERM DEBT

The following is a summary of bond and installment notes payable transactions of Village of Georgetown for the year ended June 30, 2005.

	Balance 6-30-2004	Additions	Payments	Balance 6-30-2005
General Obligation Bonds	\$ 13,641	\$ -0-	\$ 1,000	\$ 12,641
Revenue Bonds	22,000	-0-	2,000	20,000
Total	<u>\$ 35,641</u>	<u>\$ -0-</u>	<u>\$ 3,000</u>	<u>\$ 32,641</u>

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

Bond and installment notes payable at June 30, 2005 are comprised of the following issues:

Revenue Bonds (Enterprise Fund)

\$ 60,000 Sewer Revenue Bonds dated 1975, due in monthly installments of \$1,000 to \$2,000 through January 1, 2015, interest at 5 percent. \$ 20,000

General Obligation Bonds (Ad Valorem Tax) (Governmental Activities)

\$ 36,000 (2 at \$18,000 each) General Obligation Bonds dated 1-1-76 and 1-1-75, due in annual installments of \$1,000 (\$500 each) through 1-1-2015, interest at 5 percent. 12,641

Total \$ 32,641

The annual requirements to amortize all debt outstanding as of June 30, 2005, including interest payments of \$23,629 are as follows:

Year Ending June 30,	G.O. Bonds	Sewer Revenue Bonds	Total
2006	1,632	3,100	4,732
2007	1,582	3,000	4,582
2008	1,532	2,900	4,432
2009	1,482	2,800	4,282
2010-2014	6,660	12,500	19,160
2015	1,182	2,200	3,382
Total	<u>\$ 14,070</u>	<u>\$ 26,500</u>	<u>\$ 40,570</u>

Under the terms of the bond indenture on outstanding Sewer Revenue Bonds dated 1975, earnings of the sewer system are to be maintained separately and used for the following purposes:

- (a) Payment of all reasonable and necessary expenses of operating and maintaining the system.
- (b) Each month there will be set aside into a fund called the "Sewer Revenue Bond and Interest Sinking Fund" an amount constituting 1/12 of the next principal and interest payment.
- (c) Each month, there will be set aside into a "Sewer Reserve Fund" 5% of the amount paid into the Sinking Fund. These funds may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not available in the Sinking Fund.
- (d) There will also be set aside into a "Sewer Depreciation and Contingency Fund" 5% of the amount paid into the sinking fund. These funds will be used to care for depreciation, extensions, additions, improvements and replacements necessary to operate the system properly, and to pay interest and principal on bonds when there is not sufficient money in the Sinking or Reserve Fund.
- (e) All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful purpose.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

(7) LITIGATION

The Village of Georgetown is involved in no litigation at June 30, 2005, which is not covered by the Village's applicable insurance policies or is considered to be significant to the Village's financial statements.

(8) ELECTED OFFICIAL'S SALARIES

Name	Title	Term of Office	Annualized Salary
Danny Olden 297 Hwy 502 Georgetown, LA 71432	Mayor	Jan.1, 2005- Dec. 31, 2008	\$ 5,616
John Budemer 4935 Hwy 500 E Georgetown, LA 71432	Alderman	Jan.1, 2005- Dec. 31, 2008	3,156
Terry Oliver PO Box 245 Georgetown, LA 71432	Alderman	Jan.1, 2005- Dec. 31, 2008	3,156
Robert Sanders PO Box 176 Georgetown, LA 71432	Alderman	Jan.1, 2005- Dec. 31, 2008	3,156
Earl Self Jr. 313 Hwy 502 Georgetown, LA 71432	Police Chief	Jan.1, 2005- Dec. 31, 2008	30,240

(9) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(10) RETIREMENT PLANS

The Village does not offer its employees a retirement plan. All employees are in the social security system.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

(11) WATER AND SEWER RATES

<u>Water:</u>	<u>Minimum Charge</u>	<u>Next</u>
Residential	\$10.30 for 1 st 1,600 gals. water used	\$1.65 per 1,000 for next 2,400 gals. water used 1.35 per 1,000 for next 1,800 gals. water used 1.20 per 1,000 for next 4,200 gals. water used 1.07 per 1,000 for next 5,000 gals. water used .93 per 1,000 thereafter
Schools	\$ 76.67 for 1 st 71,600 gals. water used	\$.93 per 1,000 thereafter
Housing Authority	\$214.00 for 1 st 42,000 gals. water used	\$1.75 per 1,000 for next 70,000 gals. water used 1.33 per 1,000 for next 60,000 gals. water used .90 per 1,000 for next 110,000 gals. water used .80 thereafter
Sewer:		
Residential -	\$ 14.00 for 1 st 5,100 gals. water used	\$.10 per 1,000 gals. water used thereafter
School	\$ 48.33 a month for all water used	
Housing Authority	\$350.16 for 1 st 145,600 gals. water used	\$.07 per 1,000 thereafter

(12) CONTINGENCIES

The Village has entered into a lease agreement with International Paper Inc. (I.P.) for the purchase of water from I.P.'s property. The lease is for \$1 annually and renewed on an annual basis.

(13) DUE TO DUE FROM

	<u>Due To</u>	<u>Due From</u>
Debt Service	\$ 3,473	\$ -0-
General Fund	-0-	3,473
Total	\$ 3,473	\$ 3,473

(14) TRANSFERS

Transfers were made from the general fund to the enterprise funds to cover expenses.

**Required Supplemental
Information**

Village of Georgetown, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2005

	Budget Amounts		Actual	Budget to
	Original	Final	Amounts	Actual
			Budgetary	Differences
			Basis	Over (Under)
REVENUES				
Fees & Charges	\$ 19,817	\$ 19,817	\$ 26,502	\$ 6,685
Taxes	10,880	10,880	5,032	(5,848)
Fines	223,500	223,500	271,392	47,892
Grants	46,500	46,500	10,000	(36,500)
Road Maintenance	4,605	4,605	7,040	2,435
Other	1,500	1,500	1,812	312
TOTAL REVENUES	<u>306,802</u>	<u>306,802</u>	<u>321,778</u>	<u>14,976</u>
EXPENDITURES				
Personnel Expense	151,788	151,788	106,897	(44,891)
Police Expense	36,000	36,000	22,419	(13,581)
Other Administrative	229,007	229,007	82,445	(146,562)
Debt Service	-0-	-0-	-0-	-0-
Capital Outlay	25,500	25,500	32,407	6,907
Other Expenditures	-0-	-0-	-0-	-0-
TOTAL EXPENDITURES	<u>442,295</u>	<u>442,295</u>	<u>244,168</u>	<u>(198,127)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			<u>77,610</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)			<u>(23,914)</u>	
TOTAL OTHER FINANCING SOURCES (USES)			<u>(23,914)</u>	
NET CHANGE IN FUND BALANCE			53,696	
FUND BALANCES--BEGINNING			103,469	
FUND BALANCES--ENDING			<u>\$ 157,165</u>	

See accountant's report.
The accompanying notes are an integral part of this statement.

VILLAGE OF GEORGETOWN, LOUISIANA

MANAGEMENT LETTER COMMENTS

During the course of my audit, I observed conditions and circumstances that may be improved. Below are situations that may be improved (if any) and recommendations for improvements.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

There are no current year management letter comments.

VILLAGE OF GEORGETOWN, LOUISIANA

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Village of Georgetown, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2004.

Prior Year Findings

There were no prior year findings.

LOUISIANA ATTESTATION QUESTIONNAIRE

August 30, 2005

JOHN R. VERCHER PC
Certified Public Accountant
P.O. Box 1608
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374

In connection with your review of our financial statements as of June 30, 2005 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of July 30, 2005.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [☒] No [☐]

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [☒] No [☐]

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60.

Yes [☒] No [☐]

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [☒] No [☐]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Anna Luape

Secretary

8-29-05

Date

Treasurer

Date

Danny DeLo

President

Date

8-29-05